

Testimony of Seth Holt  
In support of  
***LD 1726: An Act to Build Maine's Economy by Supporting Child Care for Working Families  
sponsored by Senate President Troy Jackson***

Senator Baldacci, Representative Meyer, and distinguished members of the Health and Human Services Committee, my name is Seth Holt. I am a Childcare Business Manager, and I live in Exeter. I'm testifying in support of LD 1726 An Act to Build Maine's Economy by Supporting Child Care and Working Families.

Child care educators are developing the minds of our youth. Their efforts are extraordinary but current wages are not a good reflection of the work and dedication these educators have for children. Unfortunately there is an imbalance between what a family is willing to pay for childcare, overhead costs of running a childcare business, and regulations on the industry that results in the inability to pay higher wages to educators while running a viable business, which is why I support a state plan that raises child care educator wages.

Right now the industry struggles to balance what is affordable for working families, industry regulation, and overhead expenses to run a viable business. Any child care is expensive, quality child care is even more expensive yet there is still an imbalance between what families are willing to pay and running a viable business. Something needs to be done to offset the cost of running a business, paying livable wages, and providing quality care. Developing a cost model tool that better supports our understanding of what it costs to provide quality care and education would help with that.

I support raising subsidy eligibility for Maine's lower income families because the cost of childcare is often equivalent to or more than a mortgage for one child. Additional children force many families to decide between working to simply pay for childcare or having a parent stay home. Childcare is likely to cost families \$6/hr based on a 40 hour week. Nearly half of minimum wage pay could be going to childcare.

I also support ensuring that subsidy reimbursement covers days when children are absent from their program because regardless of attendance of a child on subsidy, employers need to staff according to childcare ratios. Programs succeed on full capacity enrollment, get by on 85% enrolment, and struggle with anything less. Programs generally require payment for private pay families regardless of attendance as we are unable to fill a spot for an absence.

The industry needs all around support. Childcare is not a lucrative business yet is a significant, primary, and necessary expense for most families to continue working. Childcare providers are not in the industry to get rich, they are here because they love YOUR children and help them grow, which is why Maine needs to develop a long term plan to increase investments in child care programs while also increasing subsidy eligibility.

Please vote in support of LD 1726,  
Seth Holt